

Statistics Publication Notice

Economy (Local Government Finance)

An Official Statistics Publication for Scotland

Non-Domestic Rates Relief Statistics for Small Businesses in Scotland 2017

31st October 2017

This publication provides statistics on the Small Business Bonus Scheme, which provides non-domestic rates relief (business rates discounts) to small businesses in Scotland.

Data provided in this publication relate to **mid-year estimates** provided by local authorities, and 'recipients' refers to properties in receipt of relief.

Key points at September 2017:

- There are 103,701 recipients of Small Business Bonus Scheme (SBBS) relief in 2017-18, an increase of 1,307 from 102,394 in 2016-17.
- The SBBS provided £226m in relief in 2017-18, a £46m increase from £180m in 2016-17.
- The number of properties receiving SBBS relief over the past 9 years has increased by over 60% from 64,179 in 2008-09 to 103,701 in 2017-18. Likely reasons for this increase include expansion of the scheme (detailed in the background notes) and greater awareness of the scheme.
- Over 95% of properties receiving relief had rateable values of £15,000 or less.

CHARTS and TABLES

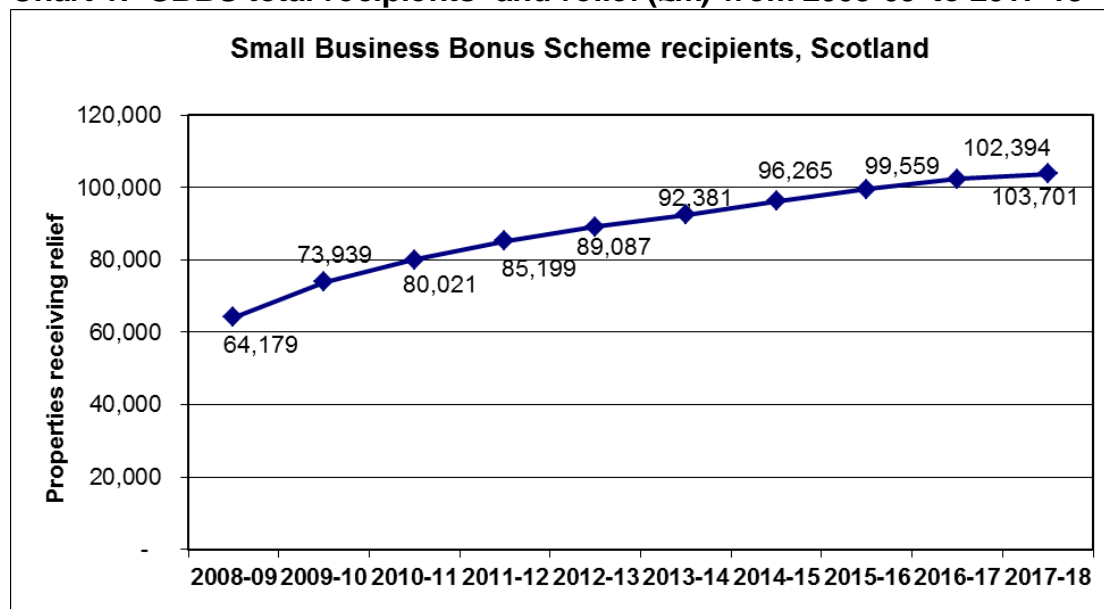
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Table 1: Number of recipients of SBBS, 2008-09 to 2017-18 by local authority;

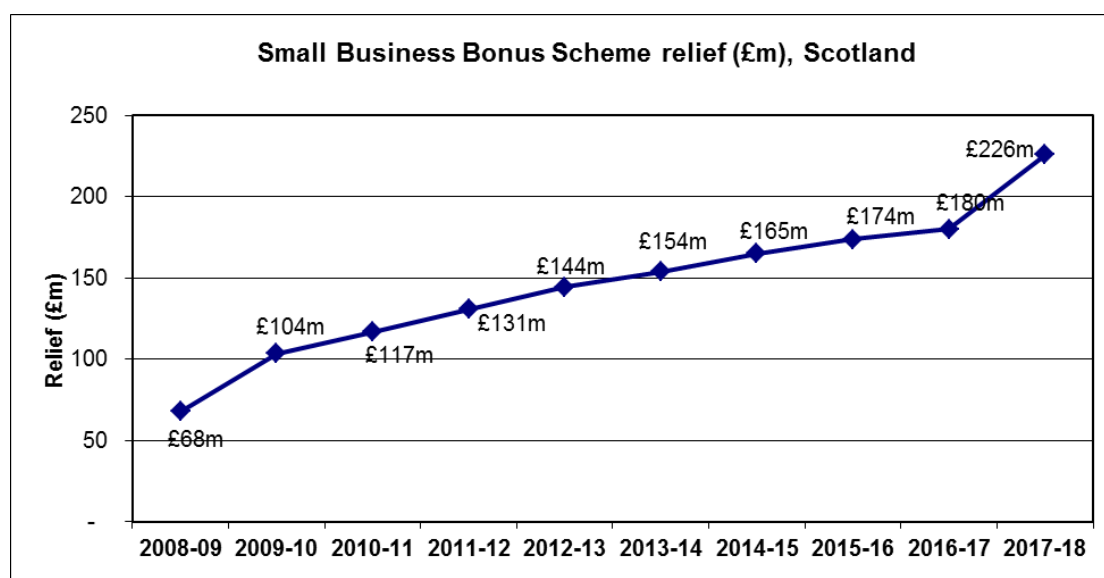
Table 2: SBBS relief provided, 2008-09 to 2017-18 by local authority;

Table 3: Number of recipients of the SBBS and total rateable value by RV band and local authority, September 2017.

Chart 1: SBBS total recipients¹ and relief (£m) from 2008-09 to 2017-18



1. Number of recipients as at September/October of the relevant financial year



The number of recipients of SBBS relief has increased each year since the introduction of the scheme from 64,179 in 2008-09 to 103,701 in 2017-18 (Chart 1). In the last year, the number of SBBS recipients increased by 1% from 102,374 in 2016-17 to 103,701 in 2017-18. Breakdowns by local authority of the number of recipients, and relief provided, are shown in Tables 1 and 2.

Likely factors for the increasing trend in recipients and amount of relief include changes to the scheme over previous years (see background notes) and promotion of the scheme to encourage uptake as well as other factors such as growth in the underlying tax base. 2017 is a Revaluation year in which properties received a new rateable value. Some properties may have dropped out of eligibility while others may enter into eligibility. Some councils require properties to re-apply for SBBS and the final number of recipients is likely to be higher than that reported here.

Table 1 shows the number of recipients by local authority. The SBBS is an application based scheme (business owners must apply to their local authority), and a local authority may occasionally ask businesses to reapply.

Table 1: Number of recipients of SBBS, 2008-09 to 2017-18^{1,2,3}

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 ^{4,5}
Aberdeen City	1,800	1,873	1,784	2,010	1,975	2,041	2,045	2,112	2,141	2,203
Aberdeenshire	4,016	4,501	4,726	5,040	5,170	5,330	5,408	5,514	5,692	5,656
Angus	1,854	1,904	2,067	2,125	2,190	2,212	2,361	2,381	2,475	2,536
Argyll & Bute	3,152	3,507	3,589	3,885	4,220	4,362	4,576	4,670	4,733	4,967
Clackmannanshire	509	569	637	696	741	787	770	775	802	802
Dumfries & Galloway	3,224	3,475	3,666	3,979	4,079	4,401	4,628	4,647	5,007	5,122
Dundee City	1,494	1,747	1,899	2,047	1,952	2,171	2,275	2,313	2,426	2,475
East Ayrshire	1,127	1,341	1,430	1,469	1,534	1,551	1,658	1,671	1,829	1,909
East Dunbartonshire	626	833	936	1,014	1,068	1,112	1,152	1,194	1,198	1,240
East Lothian	1,244	1,324	1,467	1,529	1,556	1,587	1,668	1,679	1,755	1,763
East Renfrewshire	550	613	676	693	737	747	774	798	819	792
Edinburgh, City of	4,728	5,601	6,275	6,316	6,691	6,163	7,081	7,882	7,043	8,206
Eilean Siar	405	561	507	735	821	885	1,073	1,215	1,267	1,220
Falkirk	1,365	1,579	1,675	1,719	1,879	1,947	2,091	2,182	2,286	1,751
Fife	3,912	4,581	5,004	5,365	5,516	5,800	5,995	6,187	6,415	6,762
Glasgow City	4,713	6,083	6,870	7,476	7,962	8,440	8,943	9,156	9,715	9,953
Highland	5,642	6,487	7,302	7,808	8,383	8,715	8,991	9,546	9,691	8,669
Inverclyde	604	715	793	872	921	983	1,001	1,041	1,057	1,063
Midlothian	779	948	1,081	1,124	1,127	1,107	1,162	1,235	1,106	1,262
Moray	1,509	1,722	1,772	1,815	1,863	2,018	2,055	2,119	2,156	2,180
North Ayrshire	1,847	2,086	2,271	2,425	2,477	2,604	2,646	2,396	2,766	2,734
North Lanarkshire	2,340	2,799	3,085	3,352	3,576	3,768	3,299	3,863	4,146	4,154
Orkney Islands	835	1,019	1,044	1,036	1,132	1,171	1,206	1,227	1,238	1,229
Perth & Kinross	2,893	3,203	3,441	3,798	3,991	4,166	4,343	4,221	4,526	4,352
Renfrewshire	1,797	2,091	2,242	2,258	2,503	2,432	2,475	2,566	2,598	2,665
Scottish Borders	2,809	2,981	3,281	3,414	3,489	3,580	3,652	3,791	3,987	4,045
Shetland Islands	407	551	551	626	671	700	736	752	781	792
South Ayrshire	1,625	1,848	1,944	2,019	2,063	2,164	2,227	2,232	2,336	2,385
South Lanarkshire	2,694	3,224	3,376	3,558	3,597	3,965	4,167	4,218	4,328	4,483
Stirling	1,716	1,859	1,909	2,076	2,155	2,224	2,281	2,348	2,458	2,492
West Dunbartonshire	655	773	977	1,079	1,111	1,194	1,250	1,291	1,162	1,359
West Lothian	1,308	1,541	1,744	1,841	1,937	2,054	2,276	2,337	2,455	2,480
Scotland	64,179	73,939	80,021	85,199	89,087	92,381	96,265	99,559	102,394	103,701

1. Includes recipients of SBBS relief who also receive other NDR relief.

2. 2008-09 was the first year of the SBBS. Relief thresholds and amounts have changed several times since then (See background noted for further details of relief thresholds and changes).

3. Data on number of recipients are mid-year estimates.

4. At the time of the 2017 snapshot Falkirk and Perth & Kinross were undertaking a review of SBBS resulting in lower reported number of recipients. Increases in Edinburgh, Midlothian and West Dunbartonshire follow completion of reviews in 2016.

5. Between any given years the numbers of properties in receipt of SBBS may vary due to a range of reasons, including other types of NDR relief received, openings/closures and relocations and expansions of chains.

Table 2: SBBS relief provided, 2008-09 to 2017-18 by local authority ^{1,2,3,4}

	Total relief (£ million)									
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Aberdeen City	2.4	3.3	3.3	3.8	4.0	4.2	4.4	4.6	4.7	6.3
Aberdeenshire	3.4	5.0	5.8	6.4	7.0	7.4	7.9	8.1	8.6	11.2
Angus	1.8	2.4	2.7	2.9	3.2	3.4	3.7	3.8	4.1	4.9
Argyll & Bute	2.2	3.1	3.3	3.8	4.2	4.4	4.8	5.0	5.3	7.4
Clackmannanshire	0.5	0.8	0.9	1.1	1.2	1.3	1.4	1.4	1.5	1.7
Dumfries & Galloway	2.6	3.6	4.0	4.6	5.0	5.6	5.9	6.1	6.7	8.1
Dundee City	1.8	2.8	3.1	3.5	3.7	4.3	4.7	4.9	5.1	6.3
East Ayrshire	1.3	2.1	2.2	2.5	2.7	2.8	3.1	3.2	3.5	4.4
East Dunbartonshire	0.9	1.5	1.7	1.9	2.1	2.3	2.5	2.7	2.7	3.3
East Lothian	1.3	1.9	2.2	2.4	2.6	2.7	2.8	3.0	3.2	4.0
East Renfrewshire	0.7	1.1	1.2	1.3	1.5	1.6	1.7	1.8	1.8	2.2
Edinburgh, City of	6.5	10.1	11.8	12.7	13.9	12.9	15.6	17.5	15.5	23.1
Eilean Siar	0.3	0.6	0.6	0.8	0.9	1.0	1.2	1.3	1.4	1.8
Falkirk	1.7	2.5	2.7	2.9	3.4	3.6	3.9	4.2	4.4	4.1
Fife	4.2	6.5	7.4	8.3	9.2	10.1	10.7	11.3	11.7	14.4
Glasgow City	6.5	11.0	12.8	14.6	16.6	18.0	19.5	20.5	21.8	27.5
Highland	4.2	6.5	7.7	8.7	9.8	10.5	11.1	11.9	12.2	14.5
Inverclyde	0.8	1.3	1.4	1.7	1.9	2.0	2.1	2.2	2.3	2.6
Midlothian	0.9	1.4	1.7	1.9	1.9	1.9	2.1	2.3	2.1	3.0
Moray	1.3	1.8	2.1	2.2	2.4	2.7	2.8	2.9	3.0	4.0
North Ayrshire	1.9	2.7	3.0	3.4	3.7	4.0	4.1	3.8	4.2	5.3
North Lanarkshire	3.2	5.1	5.8	6.5	7.4	7.7	6.9	8.3	8.9	10.4
Orkney Islands	0.5	0.8	0.9	0.9	1.1	1.1	1.2	1.3	1.3	1.6
Perth & Kinross	2.7	4.2	4.5	5.2	5.8	6.2	6.7	6.7	7.2	8.6
Renfrewshire	2.3	3.4	3.7	4.0	4.6	4.7	5.1	5.4	5.4	6.6
Scottish Borders	2.2	3.4	3.8	4.2	4.5	4.9	5.1	5.4	5.6	7.0
Shetland Islands	0.3	0.5	0.6	0.7	0.8	0.8	0.8	0.9	0.9	1.2
South Ayrshire	1.7	2.6	2.9	3.1	3.5	3.8	4.0	4.1	4.3	5.2
South Lanarkshire	3.6	5.5	5.8	6.4	6.8	7.8	8.4	8.6	9.1	11.3
Stirling	1.6	2.4	2.6	3.0	3.3	3.5	3.7	3.8	4.0	5.2
West Dunbartonshire	0.8	1.3	1.6	1.9	2.1	2.3	2.5	2.6	2.4	3.3
West Lothian	1.7	2.6	3.1	3.4	3.9	4.2	4.7	4.9	5.1	6.1
Scotland	67.8	103.7	116.8	130.8	144.5	154.1	165.0	174.3	180.0	226.0

1. Includes recipients of SBBS relief who also receive other NDR relief. The amount of other relief provided is not included in the total relief figure.

2. 2008-09 was the first year of the SBBS. Relief thresholds and amounts have changed several times since then (See background noted for further details of relief thresholds and changes).

3. Estimates of relief provided are mid-year estimates.

4. When comparing the amount of relief received in each year, it is important to consider impacts of annual changes in the poundage rates (See page footnote 1).

The amount of SBBS relief provided has also increased in each year of the scheme and has more than tripled since 2008-09. A large increase of £46m between 2016-17 and 2017-18 is due to the expansion of the scheme through the raising of the 100% threshold for relief from £10,000 rateable value to £15,000. Inflationary increases in the poundage rate¹ and other expansions of SBBS account for increases over the years. This amounts to an average saving per property of £2,179 in 2017-18.

¹ Poundage rates change annually, usually in line with inflation (see background notes). The poundage rates for each year were: 2008-09 45.8p, 2009-10 48.1p, 2010-11 40.7p, 2011-12 42.6p, 2012-13 45.0p, 2013-14 46.2p, 2014-15 47.1p, 48.0p 2015-16, 48.4p 2016-17, 46.6p 2017-18. The drop in the poundage rate in 2009-10 and 2017-18 were due to revaluation.

Table 3: Number of Small Business Bonus Scheme Relief Recipients and Rateable Values by RV band and Local Authority, at September 2017^{1,2,3,4}

	Rateable Value (RV) of relief recipient					
	Less than or equal to £15,000		Between £15,001 and £18,000		All recipients	
	Properties in receipt of relief	Total Rateable Value of properties in receipt of relief (£)	Properties in receipt of relief	Total Rateable Value of properties in receipt of relief (£)	Properties in receipt of relief	Total Rateable Value of properties in receipt of relief (£)
Aberdeen City		2,163		15,823,330		40
Aberdeenshire	5,194	26,195,915	462	2,561,515	5,656	28,757,430
Angus	2,394	11,242,197	142	769,368	2,536	12,011,565
Argyll & Bute	4,866	17,550,305	101	683,640	4,967	18,233,945
Clackmannanshire	768	4,201,065	34	131,625	802	4,332,690
Dumfries & Galloway	4,274	16,923,690	848	2,520,038	5,122	19,443,728
Dundee City	2,434	15,230,165	41	324,300	2,475	15,554,465
East Ayrshire	1,900	10,276,430	9	51,500	1,909	10,327,930
East Dunbartonshire	1,219	8,120,550	21	184,900	1,240	8,305,450
East Lothian	1,739	9,321,980	24	166,000	1,763	9,487,980
East Renfrewshire	781	5,314,815	11	96,350	792	5,411,165
Edinburgh, City of	8,017	56,144,995	189	1,680,385	8,206	57,825,380
Eilean Siar	1,162	4,074,840	58	262,575	1,220	4,337,415
Falkirk	1,739	10,181,365	12	81,650	1,751	10,263,015
Fife	6,293	33,020,286	469	2,686,510	6,762	35,706,796
Glasgow City	9,897	66,152,760	56	453,050	9,953	66,605,810
Highland	8,244	33,823,050	425	2,245,470	8,669	36,068,520
Inverclyde	1,044	5,975,680	19	110,000	1,063	6,085,680
Midlothian	1,243	7,185,805	19	117,470	1,262	7,303,275
Moray	2,082	9,505,885	98	482,750	2,180	9,988,635
North Ayrshire	2,620	12,407,049	114	689,600	2,734	13,096,649
North Lanarkshire	4,121	25,420,645	33	299,800	4,154	25,720,445
Orkney Islands	1,170	3,765,435	59	228,800	1,229	3,994,235
Perth & Kinross	4,142	20,140,060	210	1,531,850	4,352	21,671,910
Renfrewshire	2,594	15,610,465	71	431,450	2,665	16,041,915
Scottish Borders	3,939	16,097,260	106	658,360	4,045	16,755,620
Shetland Islands	773	2,891,945	19	142,820	792	3,034,765
South Ayrshire	2,305	12,236,780	80	493,200	2,385	12,729,980
South Lanarkshire	4,421	27,242,760	62	394,075	4,483	27,636,835
Stirling	2,477	12,625,385	15	76,350	2,492	12,701,735
West Dunbartonshire	1,343	8,013,805	16	94,600	1,359	8,108,405
West Lothian	2,447	15,010,220	33	175,600	2,480	15,185,820
Scotland	99,805	537,726,917	3,896	21,097,451	103,701	558,824,368

1. Includes 3,896 recipients of other reliefs in addition to SBBS relief.
2. The RV of these properties is included in its gross form, before any relief is applied.
3. RV of relief recipients refers to the individual subject or property and not to the accumulated RV of the business to which the property belongs.
4. The data collection does not separately identify properties that are part of business chains. Hence, the number of recipients (and total RV) shown for a specific RV band will include a small proportion of properties that are part of business chains and therefore may not be entitled to the full percentage relief for that RV band.

As at September 2017 there were 103,701 properties in receipt of Small Business Bonus Scheme rates relief with a total rateable value of £559m. Of those, 96% (99,805) had rateable values less than or equal to £15,000. Full breakdowns by rateable value band and local authority are shown in Table 3 above.

BACKGROUND NOTES

Data Sources

The Small Business Bonus Scheme (SBBS) Annex is a statistical return compiled annually by the Scottish Government from all local authorities. Local authorities complete a summary of the number of properties in receipt of SBBS relief, the rateable value of these properties, costs of the scheme and information on the large business supplement. The continued co-operation of local authorities in completing these returns is gratefully acknowledged by the Scottish Government.

The SBBS Annex is a snapshot of the distribution of SBBS recipients across local authorities at a single point in time. It provides mid-year estimates based on a snapshot of recipients rather than a comprehensive summary of recipients throughout the year. Results are collected on a consistent basis, but where, for example, a local authority runs a reapplication process to minimise fraud, this will be reflected in year to year variation.

Data Definitions

Non-domestic rates are a property based tax. They are based on the rateable value (RV) of a non-domestic (business) property, multiplied by the poundage set nationally by Scottish Ministers, less any relief to which a ratepayer may be eligible.

The Small Business Bonus Scheme (SBBS) was introduced on 1st April 2008 to provide non-domestic rates (NDR) relief for small businesses in Scotland. It replaced the Small Business Rates Relief Scheme (SBRRS) and is one of a number of non-domestic rates reliefs offered by the Scottish Government.

The SBBS offers a discount of up to 100% on non-domestic rates bills for eligible business properties in Scotland. Whether a business is eligible for the SBBS and the level of relief received will depend upon:

- (a) the cumulative rateable value (RV) of all the properties in Scotland of which a business is in rateable occupation, (or if vacant, which the business is entitled to occupy);
- (b) whether or not each property is eligible for one of the (other) existing non-domestic rates relief schemes;
- (c) the level of other public sector assistance received by the business.

If a business consists of two or more properties, the cumulative RV of all the properties in the business chain is used when assessing eligibility for the SBBS. If the total rateable value of the chain is above the uppermost SBBS threshold, none of the properties will be eligible for SBBS relief, even if some or all of the properties in the chain have rateable values below the uppermost threshold. This ensures that relief is targeted at the smallest businesses.

If a business is eligible for SBBS relief but is already receiving another NDR relief, the existing relief takes precedence and any SBBS relief is added on to

make up the difference between the relief they were receiving and the total relief they are eligible for under the SBBS. In cases where the SBBS relief percentage that a business is eligible for is *lower* than that for the main NDR relief, the SBBS relief would be less beneficial, so the property is deemed ineligible for the SBBS (but continues to receive the main relief).

The table below sets out the rateable value thresholds and level of relief entitlement for each year that the SBBS has been in operation. Relief of 100% indicates full relief (i.e. no rates payable).

SBBS relief thresholds 2008-09 to 2017-18

	2008-09		2009-10		2010-11 to 2013-14		2014-15 to 2015-16		2017-18 onwards	
	RV threshold	Relief	RV threshold	Relief	RV threshold	Relief	RV threshold	Relief	RV threshold	Relief
Lower Rateable Value (RV) band	up to £8,000	80%	up to £8,000	100%	up to £10,000	100%	up to £10,000	100%	up to £15,000	100%
Middle Rateable Value (RV) band	£8,001 to £10,000	40%	£8,001 to £10,000	50%	£10,001 to £12,000	50%	£10,001 to £12,000	50%	N/A	N/A
Upper Rateable Value (RV) band	£10,001 to £15,000	20%	£10,001 to £15,000	25%	£12,001 to £18,000	25%	£12,001 to £18,000	25%	£15,001 to £18,000	25%
Cumulative RV of a business's properties (business chains)	greater than £15,000	0%	greater than £15,000	0%	up to £25,000	25% on each individual property with an RV not exceeding £18,000	up to £35,000	25% on each individual property with an RV not exceeding £18,000	up to £35,000	25% on each individual property with an RV not exceeding £18,000

Relief values (£) reported in this publication are mid-year estimates of the annual amount of relief based on a snapshot of recipients around the middle of the financial year (taken on 15th September for 2017). Final year costs are published in the Scottish Local Government Financial Statistics publication in February of each year which can be accessed at:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance/PubScottishLGFSstats>

More information on NDR relief schemes and their interaction can be found in [the Scottish Government's 'Brief Guide to Non-Domestic Rates'](#) and information on Local Government Finance statistics at:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance> .

This publication (and those for earlier years) can be accessed at: <http://www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance/NDR-Rates-Relief>.

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